

Agency Update

June 2010



TO: Agency Representatives

FROM: PEBB

Coverage for Adult Children

In its meeting on May 18, 2010, the Benefit Board determined that members will be able to cover children to age 26 in their health plans beginning with the next plan year. This change aligns PEBB's plan with requirements of new federal law.

Next Plan Year. Members will be able to enroll children for this coverage during Open Enrollment. Coverage will begin Jan.1 of the next plan year. Coverage will continue to the end of the year in which the child turns 26.

These children are any son, daughter, stepson, stepdaughter, eligible foster child, adopted child or child for whom a member is legally obligated. The child's eligibility will not depend on marital, student, employment, residency or other-coverage status. The child will not need to qualify as a tax dependent.

Coverage will be non-taxable; agencies will not need to adjust withholding. Members who cover a domestic partner's children will still need to pay tax on the imputed value.

Current Plan Year. Beginning June 1, 2010, and through the rest of the current plan year, PEBB will not drop coverage for children who are currently enrolled as of that date and who would otherwise lose coverage by losing eligibility.

Communication. Materials on PEBB's website will provide details. This Web page answers commonly asked questions: <http://oregon.gov/DAS/PEBB/news/QACoverageAdultChildren.shtml>. Staff will add to this Q&A and develop additional materials based on employee and agency questions and suggestions. E-mail ingrid.i.norberg@state.or.us.

Administrative Rules

Revisions. Staff presented a [summary of revisions](#) to Oregon Administrative Rules during the Operations Subcommittee meeting in May. These revisions fall in roughly three categories: administration and appeals; eligibility and enrollment; and retirees.

Process and Timing. [The Oregon Bulletin](#) will publish the drafted rules Aug. 1, 2010. PEBB will send notice of proposed rulemaking to interested parties for comment on Aug. 6, 2010. (Request to be added to the [interested parties list on PEBB Rules](#).) A public hearing on the rules is scheduled for 3:30-4:30 p.m., Sept. 9, 2010, in the PEBB Board Room, with the final time for comment at 5 p.m. that same date. The rules will be adopted Sept. 14, 2010, with an effective date of Oct. 1, 2010.

Temporary Rule. Staff is preparing a temporary rule for placement June 1, 2010, to address requirements of coverage for adult children to age 26 beginning 2010. An amended permanent rule on dependent eligibility will be in place Jan.1, 2011.

Board Actions

Renewals for 2011. The Board continues the process of renewing contracts with current health plans for 2011. Governor Kulongoski's [May 25 statement](#) on his plans to address the state's budget shortfall touched on PEBB benefits. Board discussions with current plans will determine premium rates. Rates for current plans are based in large part on utilization and medical price trend. Changes in plan design can affect the rates. Current agency budgets for 2011 are built around a projected premium increase of five percent for 2011; medical trend for 2011 is projected at 10 percent. The Board is scheduled to meet June 8 and June 15, 2010, to continue discussions on renewals.

Proposals for 2012. The Board plans to issue a request for proposals for 2012 medical plans this fall. The request will seek proposals that align with elements of the [Board's vision](#):

- Innovative ways to deliver evidence-based care
- Improved quality of care
- Promotion of health and wellness
- Incentives for the right care at the right time and place
- Access to useful data
- Affordable benefits

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E-mail on Forgotten Password. The system is being configured with the option to e-mail a temporary password to employees when they forget their password. They can use the temporary password to log in after verifying their personal information. They will then need to reset their password. The goal is to test and implement this function before Open Enrollment.

Notice on Change in Member Record. The system is being configured to provide an e-mail notice to employees when any change has been made in their online benefit record. The notice will be sent to the employee's e-mail address, if available, and will include the date and type of change. The goal is to test and implement this function before Open Enrollment.

Forms

Date Received. Remember to date-stamp PEBB forms when you receive them. Most actions related to benefits have a time window that opens when the agency receives the form – not when the employee signs the form. The agency must note the date of receipt on the form to ensure actions happen within the time window.

Communications

Be Careful with PHI. Have you experienced *the oh-no-second*? It's that moment when you realize you sent an e-mail to the wrong person. It happens easily with auto-complete, and it's one of many reasons not to e-mail a message that contains an employee's personal health information – to the employee or others. Employees sometimes include PHI with questions or complaints. Suggest that they contact the plan directly. PEBB's website has a [contact list](#).

June Newsletter. The June newsletter will post online June 7, with notice distributed that evening. This issue's content: The Board continues contract renewals for 2011 health plans; coverage of children to age 26; success stories on weight loss and tobacco cessation; the EAP for facts and help on alcohol and drug abuse; how to get quality health care. Link to PEBB newsletters at: <http://oregon.gov/DAS/PEBB/publications.shtml>.

Suggest topics for future editions of the Agency Update via e-mail to hottopics.pebb@state.or.us.